Customs Duty for Importing Material

4287. SHRI BRATIN SENGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Kerala State Electricity Board which is getting grant from Canadian International Development Agency had requested Government of India for granting zero per cent customs duty for importing material required for their projects;

(b) the action taken by Government on their request; and

(c) whether Government could not consider their request; if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) A request had been received from the Kerala State Electricity Board, for customs duty exemption on import of materials being received in terms of a bilateral agreement between the Government of India and the Government of Canada, under financial assistance from the Canadian International Development Agency, for upgrading of transmission lines for the Idukki Power Project.

Goods being gifted free-of-cost under a bilateral agreement between the Government of India and a foreign Government are already exempted from payment of customs duty, in terms of general exemption notification No. 148/ 94-Cus., dated 13.7.1994, as amended.

M/s. KSEB have already been informed of this position and they have in turn intimated that this being the case, they are taking necessary action to clear the goods in terms of the above mentioned notification.

Matching Grant Support to Indian Companies

4288. SHRI G. SWAMINATHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that under the World Bank Line of Credit, Matching Grant Support was made available to Indian companies to cover 50% of their export market development cost; and

(b) if so, whether there is any provision under the programme which empowers the disbursing Banks and financial institutions to recall or collect back the granf from the receipient companies, when they can not achieve the target inspite of their best efforts, an incremental Export of ten time of the grant amount within a period of five years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) Sir, the grant agreements with the assisted companies do have a provision giving the disbursing banks and financial institutions the right to recall the amount of grant already disbursed upon failure by the exporter to perform its obligations under the agreement and particularly, in the ev«nt the programme is changed without the prior approval of the disbursing bank/financing institution.

Investment by FIIs in Corporate Entities Exceeding Five Percent

4289. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) the names of corporate entities in which foreign institutional investors have invested to the extent of more than five per cent of the equity in 1995-96;

(b) the total dividends accruing to foreign investors on account of such equity holding in the same year; and

(c) the total tax paid and remittances made from out of accrued dividends?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The Foreign Institutional Investors (FIIs) Regulations which were notified on Nov.

14, 1995 stipulate, that an FII investing on its own account or on behalf of its subaccounts shall not invest in excess of 5% of the dotal issued capital of the investee company. The limit of 5% has been increased to 10% by an amendment in the Regulations only in October 1996. Hence the question of an FTI investing in a company in excess of 5% during 1995-96 was not legally possible under the then prevailing Regulatory frame work for FIIs nor have the Securities and Exchange Board of India received any report from the Custodians to FIIs in this regard.

Frauds in Vyaya Bank

4290. DR. ALLADIP RAJKUMAR:
SHRI VIRENDRA KATARIA:

Will the Minister of FINANCE be pleased to state:

(a) whether frauds involving crores of rupees between the years 1987 and 1992 have been discovered to have taken place in Vijaya Bank; and

(b) if so, the details thereof and the action taken against the guilty officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) Vijaya Bank has reported that frauds/ vigilance cases involving an amount of morethan Rs. 1 crore pertaining to the period 1987-1992 were detected by the bank in the following six accounts:—

(1) Vijaya Video Exports and sister concerns.

(2) Asian Wire Ropes Ltd. and Asian Ispat Pvt. Ltd.

(3) P J Pipes & Vessels Ltd.

(4) R K B Herbals Pvt. Ltd.

(5) Sabson Freight Containers Pvt. Ltd.

(6) Saraf Group and Lohia Group of companies.

Central Bureau of Investigation had registered cases in respect of all these accounts. Departmental action has been initiated in all the cases and punishment has been imposed on 27 of the delinquent officials.*

Pay Structure of Bank Staff

4291. SHRI R. MARGABANDU: Will the Minister of FINANCE be pleased to state:

(a) the pay structure of bank staff; and

(b) under what category the pay structure is regulated?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) The pays structure of the workmen employees (clerical cadre and subordinate staff) is regulated by way of bipartite settlements signed periodically between Indian Bank's Association (representing the banks' managements) and the representatives of.workmen unions. The last such settlement (Vlth Bipartite Settlement) was signed on 14.2.95 and was made effective from 1.11.1992. The salary structure for officers in banks is regulated by other Officers' Service Regulations and present pay revision is in effect from 1.7.1993.

The existing pay scales for officers and award staff are as follows:—

(A) Officers

Scale I	: Rs. 4250-230-4940-350-5290-320-8050
Scale II	: Rs. 6210-230-8740
Scale III	: Rs. 8050-230-9200-250-10450
Scale IV	: Rs. 8970-230-9200-250-9700
Scale V	: Rs. 10450-250-11450
Scale VI	: Rs. 11450-300-12650
Scale VII	: Rs. 12650-300-13250-350-13600-400-14000

(b) Clerical Staff

1750-100-1950-145-2530-195-3310-215-3955-230-4875-395-5270-230-5500